

Exit EnQuest: No UK tax changes and falling oil prices yet again

Company:	EnQuest (ENQ LN)	Market Cap:	\$318mio
Industry:	Oil producer	Net Debt:	\$615mio*
Country:	UK	Revenue:	\$1.4bn
Date:	13 th November 2023	Net Income:	-
Dividend:	-	Free cash flow:	\$232mio (73%)
Entry:	\$318mio	Target:	\$500mio (+57%)

*at \$85/bbl and 45k bopd production

Why exit EnQuest?

- Geopolitical risks fully priced, peace talks could now lower oil prices as Biden is focusing on lower gasoline prices ahead of the election
- US oil inventory drawdowns slowed and began building
- Energy Security Investment Mechanism, which disapplies the Energy Profits Levy at \$71.4/bbl and 54p/therm for 6 months, review did not lead to any major changes



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